

APPRAISAL OF



SINGLE FAMILY

LOCATED AT:

85 STERLING ROAD
GREENWOOD LAKE, NY 10925

FOR:

KEVIN LYNCH/PRIVATE APPRAISAL
IT'S SUCCESSORS AND OR IT'S ASSIGNS

BORROWER:

KEVIN LYNCH

AS OF:

August 19 2008

BY:

PAULA SHERWIN

Uniform Residential Appraisal Report

File No. 11808GL226

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	85 STERLING ROAD	City	GREENWOOD LAKE	State	NY	Zip Code	10925
Borrower	KEVIN LYNCH	Owner of Public Record	SAME	County	ORANGE		
Legal Description	LIBER 11989 PAGE 931			Tax Year	2008	R.E. Taxes	\$ 20,000.00
Assessor's Parcel #	SECTION 310 BLOCK 9 LOT 3			Map Reference	HAGST R-18	Census Tract	0148.00
Neighborhood Name	N/A			Special Assessments	\$ NONE	PUD	HOA \$ N/A per year per month
Occupant	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant			Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)		
Assignment Type	<input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe)			QUICK SALE VALUE FOR BANKRUPTCY			
Lender/Client	KEVIN LYNCH/PRIVATE APPRAISAL Address IT'S SUCCESSORS AND OR IT'S ASSIGNS						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Report data source(s) used offering price(s) and date(s) SEE ATTACHED ADDENDUM							
I <input type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.							
SUBJECT WAS NOT A PURCHASE.							
Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)							
Is there any financial assistance (loan charges sale concessions gift or downpayment assistance etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No							
If Yes report the total dollar amount and describe the items to be paid \$ N/A							

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	75% %				
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input checked="" type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	5% %				
Growth	<input type="checkbox"/> Rapid <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	200 Low	NEW	Multi-Family	%				
Neighborhood Boundaries RT 17A IS TO THE NORTH, EDGEWATER AVE IS TO THE SOUTH, SEVENTH RD IS TO THE EAST AND GREENWOOD LAKE IS TO THE WEST.				700 High	100+	Commercial	5% %				
Neighborhood Description SEE ATTACHED ADDENDUM.				400 Pred.	50	Other Vcnt	15% %				

Market Conditions (including support for the above conclusions) SEE ATTACHED ADDENDUM

Dimensions 0.36 ACRE (ASSESSOR) Area 0.36+-ACRE Shape RECTANGULAR View LAKE

Specific Zoning Classification SEE ATTACHED ADDE Zoning Description 210/RESIDENTIAL

Zoning Compliance ☐ Legal ☒ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities		Public		Other (describe)		Off-site Improvements--Type		Public		Private	
Electricity	<input checked="" type="checkbox"/>	200 AMP	Water	<input checked="" type="checkbox"/>	SEPTIC/TYPICAL	Street	ASPHALT	<input checked="" type="checkbox"/>			
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input type="checkbox"/>	ALLEY NONE	Alley	NONE	<input type="checkbox"/>			

FEMA Special Flood Hazard Area ☒ Yes ☐ No FEMA Flood Zone ZONE A-2/C FEMA Map # 360616-0001B FEMA Map Date 6/15/79

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe.

Are there any adverse site conditions or external factors (easements encroachments, environmental conditions, land uses etc.)? ☐ Yes ☒ No If Yes describe SEE ATTACHED ADDENDUM

GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION materials/condition		INTERIOR materials/condition	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	CONC. - AVG.	Floors	WOOD/AVG	
# of Stories	TWO	<input type="checkbox"/> Full Basement <input checked="" type="checkbox"/> Partial Basement	Exterior Walls	VINYL - AVG	Walls	DRYW/AVG	
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area 800 sq. ft.	Roof Surface	ASPH. SH. - AVG	Trim/Finish	WOOD	
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts YES	Window Type	DBL HUNG - AVG	Bath Floor	TILE/AVG	
Design (Style) COLONIAL	<input type="checkbox"/> Outside Entry/Exit <input checked="" type="checkbox"/> Sump Pump	Storm Sash/Insulated	COMBO - AVG	Car Storage	<input type="checkbox"/> None		
Year Built 2005	Evidence of <input type="checkbox"/> Infestation	Screens	YES - AVG	<input checked="" type="checkbox"/> Driveway # of Cars 4+-			
Effective Age (Yrs) 2	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Amenities	<input type="checkbox"/> WoodStove(s) #	Driveway Surface	ASPHALT		
Attic	<input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Fence	<input checked="" type="checkbox"/> Garage # of Cars 1			
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel GAS	<input checked="" type="checkbox"/> Fireplace(s) # 1	<input type="checkbox"/> Pool	<input type="checkbox"/> Carport # of Cars			
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck DK	<input checked="" type="checkbox"/> Porch BALCON	<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in			
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)					
Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven	<input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer						
Finished area above grade contains:	10 Rooms	5 Bedrooms	3.5 Bath(s)	4,187 Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) APPLIANCES ARE NOTED ONLY.							
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) THE SUBJECT WAS NOTED TO HAVE WATER DAMAGE TO BED ROOM CEILINGS, AS PER OWNER ROOF HAS BEEN LEAKING AND NEEDS TO BE FIXED, THE COST TO CURE PATCH ROOF \$1200, REPAIR CEILINGS \$800.00. AVERAGE QUALITY OF CONSTRUCTION IN AVERAGE OVERALL CONDITION. NO FUNCTIONAL OR EXTERNAL OBSOLESCENCE WAS NOTED. PHYSICAL DEPRECIATION IS TAKEN FOR NORMAL WEAR AND TEAR.							
Are there any physical deficiencies or adverse conditions that affect the livability soundness or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe SEE ATTACHED ADDENDUM							
Does the property generally conform to the neighborhood (functional utility style condition use construction etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							

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There are 68 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 329,000 to \$ 649,000	
There are 25 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 310,000 to \$ 629,000	
FEATURE	SUBJECT
85 STERLING ROAD	2 MYRTLE AVE
Address GREENWOOD LAKE	GREENWOOD LAKE
Proximity to Subject	0.43 MILES W
Sale Price	\$ 499,000
Sale Price/Gross Liv. Area	\$ 106.17 sq. ft.
Data Source(s)	INSPI/OWNER
Verification Source(s)	RI/ASSESSOR
VALUE ADJUSTMENTS	DESCRIPTION
Sale or Financing	CONV - NONE
Concessions	DOM - 219
Date of Sale/Time	2/1/08 CL 4%
Location	AVERAGE
Leasehold/Fee Simple	FEE SIMPLE
Site	0.36+-ACRE
View	LAKE FRT/GD
Design (Style)	COLONIAL
Quality of Construction	AVERAGE
Actual Age	3+/- YEARS
Condition	AVG/GOOD
Above Grade	Total Bdrms Baths
Room Count	10 5 3.5
Gross Living Area	15 4,187 sq. ft.
Basement & Finished	Part/800 Sq.Ft
Rooms Below Grade	UNFINISHED
Functional Utility	AVERAGE
Heating/Cooling	FWA C/Air
Energy Efficient Items	ADEQUATE
Garage/Carport	1 CAR GARAGE
Porch/Patio/Deck	DECK,PORCH
	1 F/P
	NONE
	COST TO CURE
Net Adjustment (Total)	\$ 9,755
Adjusted Sale Price	\$ 489,245
of Comparables	

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not explainMy research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s) MLS/ REAL-INFO, ASSESSOR

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s) MLS/ASSESSOR, REAL-INFO

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	NONE	NONE	NONE	NONE
Price of Prior Sale/Transfer	NONE	NONE	NONE	NONE
Data Source(s)	MLS/REAL-INFO	MLS/REAL-INFO	MLS/REAL-INFO	MLS/REAL-INFO
Effective Date of Data Source(s)	9/2008	9/2008	9/2008	9/2008

Analysis of prior sale or transfer history of the subject property and comparable sales NEITHER THE SUBJECT NOR COMPARABLES 1,2 AND 3 SOLD IN THE PAST 3 YEARS, OTHER THAN WHAT IS NOTED ABOVE.

Summary of Sales Comparison Approach SEE ATTACHED ADDENDUM.

Indicated Value by Sales Comparison Approach \$ 432,000

Indicated Value by: Sales Comparison Approach \$ 432,000 Cost Approach (if developed) \$ 550,800 Income Approach (if developed) \$ N/A

THE FINAL VALUE ESTIMATE IS WELL SUPPORTED BY THE SALES COMPARISON APPROACH. THE INCOME APPROACH IS NOT USED DUE TO THE LACK OF RENTAL DATA. (SUMMARY APPRAISAL REPORT). THE COST APPROACH WAS CONSIDERED AND NOT USED AS IT WAS NOT REQUIRED BY LENDER.

This appraisal is made ☒ "as is," ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: SEE ADDENDUM.

Based on a complete visual inspection of the interior and exterior areas of the subject property defined scope of work statement of assumptions and limiting conditions, and appraiser's certification my (our) opinion of the market value as defined, of the real property that is the subject of this report is \$ 432,000 as of August 19, 2008, which is the date of inspection and the effective date of this appraisal.

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SEE ATTACHED ADDENDUM.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **SITE VALUE WAS ESTIMATED USING THE EXTRACTION METHOD**

COST APPROACH

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE				= \$	150,000
Source of cost data	M&S, LOCAL BUILDERS		Dwelling	4,187 Sq. Ft. @ \$	85.00	= \$	355,895	
Quality rating from cost service	AVG	Effective date of cost data	800 SQ.FT.	Sq. Ft. @ \$	30.00	= \$	24,000	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			FPL/FK BALCONY				15,000	
The calculated s.F of gla is considered an approximation, within minor variations in actual s.F. Being insignificant as to subject value.			Garage/Carport	375 Sq. Ft. @ \$	35.00	= \$	13,125	
			Total Estimate of Cost-New				= \$	408,020
			Less	60 Physical	Functional	External		
			Depreciation	3%			= \$ (12,241)
all cost figures based upon a nationally known cost service and local contractors, modified for local requirements and conditions, then rounded appropriately.			Depreciated Cost of Improvements				= \$	395,779
			*As-is" Value of Site Improvements				= \$	5,000
							= \$	550,800

Estimated Remaining Economic Life (HUD and VA only)

58 Years

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) N/A

INCOME

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project

Total number of phases

Total number of units

Total number of units sold

Total number of units rented

Total number of units for sale

Data source(s)

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data source(s)Are the units, common elements and recreation facilities complete? ☐ Yes ☐ No If No describe the status of completionAre the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes describe the rental terms and options

Describe common elements and recreational facilities

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and to the best of my knowledge all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions and conclusions which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base either partially or completely my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization or agent for the organization that ordered and will receive this appraisal report.

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21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department agency or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including but not limited to, the public through advertising public relations news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings) or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18 United States Code Section 1001 et seq., or similar state laws

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including but not limited to: the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings) or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Paula Sherwin
 Name PAULA SHERWIN
 Company Name REGIONAL RE APPRAISAL SERVICE
 Company Address 117 ROUTE 9W, SUITE 201
HAVERSTRAW, NY 10927
 Telephone Number 845-786-7374
 Email Address REGIONALRA@AOL.COM
 Date of Signature and Report 09/23/2008
 Effective Date of Appraisal August 19, 2008
 State Certification # 45-46385
 or State License # _____
 or Other (describe) _____ State # _____
 State NY
 Expiration Date of Certification or License 2/12/2010

ADDRESS OF PROPERTY APPRAISED
85 STERLING ROAD
GREENWOOD LAKE, NY 10925

APPRAISED VALUE OF SUBJECT PROPERTY \$ 432,000

LENDER/CLIENT

Name _____
 Company Name KEVIN LYNCH/PRIVATE APPRAISAL
 Company Address IT'S SUCCESSORS AND OR IT'S ASSIGN:
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature John P. Callanan
 Name JOHN P. CALLANAN
 Company Name REGIONAL RE APPRAISAL SERVICE LTD.
 Company Address 117 ROUTE 9W, SUITE 201
HAVERSTRAW, NY 10927
 Telephone Number (845)786-7374
 Email Address REGIONALRA@AOL.COM
 Date of Signature 09/23/2008
 State Certification # 46000046461
 or State License # _____
 State NY
 Expiration Date of Certification or License 05/07/10

SUBJECT PROPERTY

☐ Did not inspect subject property
☒ Did inspect exterior of subject property from street
 Date of Inspection 08/19/2008
☐ Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

☒ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Uniform Residential Appraisal Report

File No. 11808GL226

FEATURE	SUBJECT	COMPARABLE SALE NO. 4	COMPARABLE SALE NO. 5	COMPARABLE SALE NO. 6
85 STERLING ROAD		674 JERSEY AVE		
Address GREENWOOD LAKE		GREENWOOD LAKE		
Proximity to Subject		0.73 MILES WNW		
Sale Price	\$ N/A	\$ 539,500	\$	\$
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 269.75 sq. ft.	\$ sq. ft.	\$ sq. ft.
Data Source(s)	INSP/OWNER	MLS # 451085		
Verification Source(s)	RI/ASSESSOR	REAL-INFO		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION
Sale or Financing	N/A	ACTIVE 7%	-37 765	
Concessions		LISTING		
Date of Sale/Time	N/A	N/A		
Location	AVERAGE	AVERAGE		
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		
Site	0.36+-ACRE	0.37+-ACRE		
View	LAKE FRT/GD	LAKE FRT/GD		
Design (Style)	COLONIAL	CAPE/AVG		
Quality of Construction	AVERAGE	AVERAGE		
Actual Age	3+- YEARS	4+- YEARS		
Condition	AVG/GOOD	AVG/GOOD		
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	10 5 3.5	7 3 2	15,000	
Gross Living Area	15 4,187 sq. ft.	2,000 sq. ft.	32,800	sq. ft.
Basement & Finished	Part./800 Sq.Ft	PARTIAL		
Rooms Below Grade	UNFINISHED	UNFINISHED		
Functional Utility	AVERAGE	AVERAGE		
Heating/Cooling	FWA C/Air	FWA C/Air		
Energy Efficient Items	ADEQUATE	ADEQUATE		
Garage/Carport	1 CAR GARAGE	1 CAR GARAGE		
Porch/Patio/Deck	DECK,PORCH	DECK,PORCH		
	1 F/P	NONE	5,000	
	NONE	NONE		
	COST TO CURE	NONE	-2,000	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 13,035	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$
Adjusted Sale Price		Net Adj 2.4% %	Net Adj %	Net Adj %
of Comparables		Gross Adj. 17.2% % \$ 552,535	Gross Adj. % \$	Gross Adj. % \$
ITEM	SUBJECT	COMPARABLE SALE NO. 4	COMPARABLE SALE NO. 5	COMPARABLE SALE NO. 6
Date of Prior Sale/Transfer	NONE	NONE		
Price of Prior Sale/Transfer	NONE	NONE		
Data Source(s)	MLS/REAL-INFO	MLS/REAL-INFO		
Effective Date of Data Source(s)	9/2008	9/2008		
Summary of Sales Comparison Approach				

ADDENDUM

Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL	

CLARIFICATION OF INTENDED USE AND INTENDED USER:

THE INTENDED USER OF THIS APPRAISAL REPORT IS THE LENDER/CLIENT. THE INTENDED USE IS TO EVALUATE THE PROPERTY THAT IS THE SUBJECT OF THIS APPRAISAL FOR A QUICK SALE UNDER 90 DAY LIST TO SALE DATE VALUE. SUBJECT TO THE STATED SCOPE OF WORK, PURPOSE OF THE APPRAISAL, REPORTING REQUIREMENTS OF THIS APPRAISAL REPORT FORM, AND DEFINITION OF MARKET VALUE. NO ADDITIONAL INTENDED USERS ARE IDENTIFIED BY THE APPRAISER.

THE SUBJECT FEATURES THE AMENITIES LISTED IN THE ABOVE REPORT, AND IS IN THE CONDITION STATED BASED ON THE APPRAISER'S INTERIOR/EXTERIOR INSPECTION AND OTHER INFORMATION WHICH MAY HAVE BEEN OBTAINED FROM PUBLIC RECORDS OR PROVIDED BY THE OWNER/AGENT IF APPLICABLE.

THE CLIENT HAS BEEN MADE AWARE OF THE FACT THAT CERTAIN ASSUMPTIONS HAD TO BE MADE TO COMPLETE THIS REPORT WITHIN THE TIME FRAME EXPECTED AND ACKNOWLEDGES BY THE RECEIPT OF THIS REPORT, THAT IF ANY OF THE ASSUMPTIONS PROVE TO BE FALSE THAT THE VALUE ESTIMATE CONTAINED IN THIS REPORT MAY BE AFFECTED.

FOR THE REASONS QUOTED ABOVE THE APPRAISER HAS MADE THE FOLLOWING ASSUMPTIONS:

1. THAT THE INFORMATION PROVIDED TO THE APPRAISER BY THE CLIENT, PURCHASER, OR CURRENT OWNER IS ACCURATE, AND THAT THERE WERE NO MISREPRESENTATIONS.
2. THAT THE SUBJECT'S LAND USE IS NOT LIKELY TO CHANGE AND THAT THE MUNICIPALITY HAS NO PLANS FOR EMINENT DOMAIN OR FOR A CHANGE IN ZONING.
3. THAT THE BASE ECONOMY OF THE AREA IS CONSTANT, AND THAT NO CATASTROPHIC EVENTS WILL AFFECT THE SUBJECT'S MARKETING AREA. THAT THE MARKET CONDITIONS OF THE SUBJECT AREA ARE CONSTANT. THAT THERE HAVE BEEN NO NATIONAL, STATE OR LOCAL EVENTS WHICH WILL CHANGE THE SUPPLY AND DEMAND, MARKETING TIME OR FINANCING OPTIONS AVAILABLE IN THE SUBJECT'S MARKETING AREA.
4. THAT THE SUBJECT IS ZONED FOR ITS CURRENT USE AND THAT THERE HAVE BEEN NO SUBSTANTIAL CHANGES IN THE LOCAL ZONING OR LEGISLATION WHICH WILL MAKE THIS A NON CONFORMING PROPERTY. AS MOST PROPERTIES WERE BUILT BEFORE ZONING LAWS WERE ENACTED IN THIS AREA; IT IS POSSIBLE THAT HOMES BUILT BEFORE LOCAL ZONING LEGISLATION MAY ALREADY BE NONCONFORMING PROPERTIES. IT IS BEYOND THE SCOPE OF THIS APPRAISAL TO ASCERTAIN REBUILDING CODES OR OBTAIN LETTERS FROM MUNICIPALITIES STATING THEIR ZONING INTENTIONS.
5. THAT THE SUBJECT'S CURRENT USE IS ITS HIGHEST AND BEST USE. IT IS BEYOND THE SCOPE OF THIS APPRAISAL TO PROVIDE SPECULATIVE VALUES BASED ON EXTRAORDINARY ASSUMPTIONS.
6. THAT THERE ARE NO HIDDEN OR UNAPPARENT CONDITIONS OF THE PROPERTY, SUBSOIL, OR STRUCTURES WHICH WOULD RENDER IT MORE OR LESS VALUABLE. THE APPRAISER ASSUMES NO RESPONSIBILITIES FOR SUCH CONDITIONS, OR FOR THE ENGINEERING WHICH MAY BE REQUIRED TO DISCOVER SUCH FACTORS. IT IS BEYOND THE SCOPE OF THIS APPRAISAL FOR THE APPRAISER TO COMMENT ON ITEMS WHICH

ADDENDUM

Borrower: KEVIN LYNCH	File No.: 11808GL226
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ARE OUTSIDE THE FIELD OF APPRAISAL KNOWLEDGE (IE WIRING, PLUMBING, HEATING AND COOLING SYSTEMS, ETC.).

7. THAT ALL OF THE MECHANICAL SYSTEMS ARE FUNCTIONAL AND ARE IN WORKING ORDER.

8. NO INSPECTION OR TEST HAS BEEN MADE BY THE APPRAISER FOR ASBESTOS CONTAINING MATERIALS (ACMS), SUBTERRANEAN OIL TANKS, LEAD BASED PAINT, LEAD PIPING, CONTAMINATED DRINKING WATER, RADON GAS, CARBON MONOXIDE, CHEMICAL/PESTICIDE RUNOFF, ILLEGAL DUMPING, SEEPAGE OR ANY OTHER ADVERSE CONDITION THAT MAY BE PRESENT. THE APPRAISER ASSUMES NO LIABILITY FOR HEALTH HAZARDS ASSOCIATED WITH BIOLOGICAL INFESTATION: SPECIFICALLY BUT NOT LIMITED TO MOLDS, FUNGUS, RODENTS AND INSECTS. THE APPRAISER ASSUMES THERE ARE NO HIDDEN OR UNAPPARENT CONDITIONS OF THE PROPERTY, SUBSOIL, OR STRUCTURES WHICH WOULD RENDER IT MORE OR LESS VALUABLE. THE APPRAISER ASSUMES NO LIABILITY FOR ENVIRONMENTAL HAZARDS, THEREFORE IF SPECIFIC ENVIRONMENTAL OR OTHER RELEVANT INFORMATION IS DESIRED, THE SERVICES OF A PROFESSIONAL IN THAT FIELD WOULD BE RECOMMENDED.

9. THAT THERE ARE NO HEALTH HAZARDS ASSOCIATED WITH BIOLOGICAL INFESTATION: SPECIFICALLY BUT NOT LIMITED TO MOLDS, FUNGUS, RODENTS AND INSECTS. THE APPRAISER HAS NO QUALIFICATIONS AS AN EXTERMINATOR OR AS A DOCTOR AND CANNOT ASSUME ANY RESPONSIBILITY FOR THESE ITEMS.

10. THAT INFORMATION WAS OBTAINED FROM SOURCES DEEMED TO BE RELIABLE; THAT THE MLS, ASSESSOR RECORDS, DATA SERVICES, ETC., WERE CORRECT AND WERE NOT MISLEADING AND THAT THE APPRAISER HAS USED THE BEST AVAILABLE SOURCE(S) FOR INFORMATION.

11. THAT UNLESS NOTED, ALL COMPARABLES USED WERE PURCHASED WITH CONVENTIONAL FINANCING, CASH OR CASH EQUIVALENTS, AND THAT THERE WERE NO UNUSUAL CONDITIONS APPLIED TO ANY OF THE SALES USED.

12. THAT THE SUBJECT IS HELD IN A FEE SIMPLE STATE. VALUATION OF LEASED FEE, LEASEHOLD ESTATES OR PARTIAL INTERESTS IS BEYOND THE SCOPE OF THIS APPRAISAL.

13. IF THIS APPRAISAL IS FOR THE PURPOSE OF A SALE, THAT THE BUYER AND SELLER ARE BOTH INFORMED AND ACTING IN THEIR OWN BEST INTEREST.

14. THAT ALL STRUCTURES ON THE PROPERTY AND CONTAINED IN THE PROPERTY WERE CONSTRUCTED LEGALLY, WITH PROPER PERMITS AND BY APPROPRIATE PROFESSIONALS. THE APPRAISER CAN MAKE NO ASSUMPTIONS ABOUT THE LEGALITY OF BASEMENT/SUMMER KITCHENS, AND RECOMMENDS THAT THE LENDER/CLIENT OBTAIN THE PROPER DOCUMENTATION ON ANY SUSPECT INSTALLATIONS.

THE APPRAISER HAS APPLIED THE RECOGNIZED METHODS AND TECHNIQUES REQUIRED TO PRODUCE A CREDIBLE REPORT.

THE APPRAISER HAS ATTEMPTED NOT TO COMMIT A SUBSTANTIAL ERROR OF OMISSION OR COMMISSION THAT WOULD SIGNIFICANTLY EFFECT THE VALUE ESTIMATE GIVEN IN THIS REPORT. THE APPRAISER HAS ATTEMPTED TO FOLLOW ALL DUE DILIGENCE NECESSARY TO COMPLETE THIS REPORT UNDER THE ABOVE ASSUMPTIONS AND HAS ATTEMPTED NOT TO RENDER THIS REPORT IN A CARELESS OR NEGLIGENT MANNER. THE APPRAISER RESERVES THE RIGHT TO CORRECT ANY ERRORS DISCOVERED WITHIN THIS REPORT.

THE ESTIMATE OF MARKET VALUE GIVEN IN THIS REPORT IS AS OF THE EFFECTIVE DATE. IT IS NOT CONTINGENT UPON ANY EXTRAORDINARY ASSUMPTIONS. IT IS NOT A GUARANTEE THAT THE VALUE WILL REMAIN CONSTANT, AS THERE MAY BE A DECLINE OR INCREASE OF VALUES IN THE FUTURE. IT IS AS OF THE STATED DATE, AND FOR THE STATED DATE ONLY.

THE APPRAISER CAN ASSUME NO RESPONSIBILITY FOR THE HOMEOWNER'S

ADDENDUM

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FINANCIAL RESPONSIBILITIES. THE APPRAISER HAS ASSUMED THAT THE CLIENT HAS PERFORMED ITS OBLIGATIONS IN QUALIFYING THE MORTGAGOR, THAT ALL CONTACT WITH THE MORTGAGOR HAS BEEN PERFORMED IN A PROFESSIONAL AND ETHICAL MANNER, AND THAT THE MORTGAGOR WILL MAKE OR MEET THE FINANCIAL OBLIGATIONS SET FORTH ACCORDING TO THEIR AGREEMENT

THE APPRAISER CANNOT BE RESPONSIBLE FOR THE CONDITION OF THE PROPERTY AFTER THE INITIAL INSPECTION. HE CANNOT ASSUME OR GUARANTEE THAT THE PROPERTY WILL NOT CHANGE AFTER THE DATE OF THE INSPECTION.

THE APPRAISER HAS NOT INCLUDED ANY PERSONAL PROPERTY IN THIS REPORT.

THE APPRAISER HAS COMPILED DATA BASED ON LOCAL SALES, AND HAS ATTEMPTED TO SELECT SALES WHICH ARE SUBJECT TO THE SAME MARKETING CONDITIONS AS THE SUBJECT. THE APPRAISER HAS PROVIDED MULTIPLE COMPARABLES AND HAS ARRIVED AT THE VALUE ESTIMATE GIVEN IN THIS REPORT FROM A COMPOSITE OF ALL EVIDENCE FOUND. IN ADDITION TO SALES COMPARABLES THE APPRAISER MAY HAVE ALSO USED LOCAL PUBLICATIONS, AGENT CONSULTATIONS, OR OTHER PERTINENT INFORMATION TO ARRIVE AT THIS VALUE CONCLUSION.

USPAP REQUIRES A THREE YEAR SALES HISTORY OF THE SUBJECT. DUE TO THE VARIOUS TITLE PROCESSES IN DIFFERENT STATES, IT IS BEYOND THE SCOPE OF THIS APPRAISAL TO PERFORM A PRELIMINARY TITLE REPORT, WHICH WOULD REPORT ALL TRANSFERS OR PARTIAL INTEREST TRANSFERS. APPRAISERS TYPICALLY USE MLS OR OTHER SUBSCRIPTION SERVICES, WHICH MAY OR MAY NOT RECORD ALL TRANSACTIONS. THE APPRAISER CANNOT DEFINITELY COMMENT ON TITLE TRANSFERS WITHOUT AN ITEMIZED TITLE REPORT. HOWEVER, ACCORDING TO THE APPRAISER'S DATA, IF THE SUBJECT TRANSFERRED TITLE OVER THE 36 MONTHS PRIOR TO THE INSPECTION DATE, IT WILL BE INCLUDED IN THE APPROPRIATE SECTION OF THE APPRAISAL REPORT.

THE COST APPROACH TO VALUE IS NOT REQUIRED BY FANNIE MAE BUT WILL BE PERFORMED IF THE CLIENT/LENDER REQUESTS IT AT THE TIME THE APPRAISAL ORDER IS PLACED. THE COST APPROACH MAY TYPICALLY BE USED FOR NEW CONSTRUCTION OF SINGLE-FAMILY AND MULTI-FAMILY DWELLINGS. THE COST APPROACH ASSUMES THAT ALL FUNCTIONAL OBSOLESCENCE ASSOCIATED WITH OUTDATED DESIGNS AND MARKET EXPECTATIONS WILL BE ELIMINATED UPON REPLACEMENT. MARSHALL SWIFT VALUATION DOES NOT PROVIDE FOR ENTREPRENEURIAL PROFIT, AND THE VALUE ESTIMATE GIVEN IN THE COST APPROACH MAY VARY SIGNIFICANTLY FROM THE ESTIMATE OF VALUE GIVEN IN THE SALES COMPARISON APPROACH. THE COST APPROACH IS NOT INCLUDED FOR CONDOMINIUMS OR COOPS, BUT WHEN INCLUDED IS TYPICALLY GIVEN LEAST WEIGHT OF ALL THE STANDARD APPROACHES TO VALUE.

THE SUBJECT HAS BEEN APPRAISED BASED ON VALUE IN USE, NOT VALUE IN EXCHANGE. ITEMS OF A SPECULATIVE OR POTENTIAL VALUE ARE BEYOND THE SCOPE OF THIS REPORT.

NO INSPECTION HAS BEEN MADE OF THE SUBJECT'S STRUCTURAL INTEGRITY.

THE SUBJECT'S SKETCH SHOWS APPROXIMATE DIMENSIONS AND IS INCLUDED TO ASSIST THE READER IN VISUALIZING THE PROPERTY. THE APPRAISER HAS MADE NO SURVEY OF THE SUBJECT PROPERTY.

INFORMATION, ESTIMATES AND OPINIONS FURNISHED TO THE APPRAISER AND

ADDENDUM

Borrower: KEVIN LYNCH		File No.: 11808GL226
Property Address: 85 STERLING ROAD		Case No.:
City: GREENWOOD LAKE	State: NY	Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL		

CONTAINED IN THIS REPORT WERE OBTAINED FROM SOURCES CONSIDERED TO BE RELIABLE AND BELIEVED TO BE TRUE AND CORRECT. NO GUARANTEE IS MADE FOR ITS ACCURACY.

THE APPRAISER HAS NO PRESENT OR FUTURE INTEREST IN THE SUBJECT PROPERTY.

THIS REPORT HAS BEEN PERFORMED IN AN OBJECTIVE, INDEPENDENT AND IMPARTIAL MANNER.

THE VALUE ESTIMATE GIVEN IN THIS REPORT IS NOT BASED ON ANY CONTINGENT FEES, NO COMPENSATION HAS BEEN PAID TO THE CLIENT IN RETURN FOR APPRAISAL ASSIGNMENTS, NOR HAS ANY PREDETERMINED VALUE BEEN PROVIDED.

THE APPRAISER HAS NOT ACTED AS AN ADVOCATE FOR THE CLIENT IN ANY WAY, AND THE ESTIMATE OF VALUE GIVEN IN THIS REPORT IS THE APPRAISER'S OPINION AND MAY DIFFER FROM ANOTHER PROFESSIONAL'S OPINION.

THIS REPORT IS PROVIDED TO THE CLIENT ON A CONFIDENTIAL BASIS, AND REQUIRES THE WRITTEN CONSENT OF THE CLIENT FOR RELEASE TO A THIRD PARTY.

THE INCOME APPROACH IS TYPICALLY USED FOR MULTI-FAMILY DWELLINGS AND IS NOT USUALLY RELEVANT FOR OTHER TYPES OF HOMES SUCH AS SINGLE FAMILIES, CONDOS OR COOPS.

FLOOD ZONE DATA (MAP NUMBER, DATE AND ZONE) HAVE BEEN PROVIDED AS REPORTED BY FEMA OR OTHER DATA SOURCES, BUT SHOULD NOT BE CONSTRUED AS A FLOOD CERTIFICATION. THE APPRAISER ACCEPTS NO RESPONSIBILITY FOR FLOOD ZONE DETERMINATION.

THE SUBJECT IS ASSUMED TO HAVE A CLEAR TITLE AND A VALID CERTIFICATE OF OCCUPANCY IN ACCORDANCE WITH CURRENT ZONING LAWS FOR ITS MUNICIPALITY. REFER TO ZONING SECTION IN THE REPORT FOR ANY FURTHER COMMENTS ON SUBJECT'S ZONING OR RELATED ISSUES.

DIGITAL PHOTOS & SIGNATURES:

THIS REPORT HAS BEEN ELECTRONICALLY PREPARED AND TRANSMITTED IN COMPLIANCE WITH USPAP GUIDELINES. THESE INCLUDE VERIFICATION OF COMPLETE FILE TRANSFER AND DELIVERY, WITH DIGITALLY ENCRYPTED AND PASSWORD PROTECTED SIGNATURES AND PHOTOGRAPHS. THERE WERE ADEQUATE SECURITY MEASURES IN PLACE TO PROTECT THE DATE OF TRANSMITTAL BY THE APPRAISER. THE DIGITAL PHOTOGRAPHS INCLUDED IN THIS REPORT HAVE NOT BEEN ALTERED OR ENHANCED IN ANY WAY.

FINAL RECONCILIATION:

CONSIDERATION HAS BEEN GIVEN TO ALL THREE STANDARD APPROACHES TO VALUE, AS APPLICABLE. PRIMARY WEIGHT HAS BEEN GIVEN TO THE SALES COMPARISON APPROACH AS IT IS MOST INDICATIVE OF CURRENT MARKET VALUES. THE INCOME APPROACH IS GIVEN LITTLE CONSIDERATION WHEN APPRAISING SINGLE-FAMILIES, CONDOS, OR COOPS, AS THEY DO NOT TYPICALLY SELL FOR THEIR INCOME POTENTIAL. IF THE SUBJECT IS A MULTI-FAMILY DWELLING, THE INCOME APPROACH IS RELEVANT AND HAS BEEN CONSIDERED.

ALL HOMES INCLUDED FOR COMPARISON IN THIS REPORT WERE THE MOST

ADDENDUM

Borrower: KEVIN LYNCH

File No.: 11808GL226

Property Address: 85 STERLING ROAD

Case No.:

City: GREENWOOD LAKE

State: NY

Zip: 10925

Lender: KEVIN LYNCH/PRIVATE APPRAISAL

SIMILAR TO THE SUBJECT'S STYLE, GROSS LIVING AREA, EFFECTIVE AGE, PARCEL SIZE AND LOCATION. SPECIAL CARE HAS BEEN TAKEN BY THE APPRAISER TO SELECT COMPARABLES WHICH WERE AFFECTED BY THE SAME MARKETING, AND NEIGHBORHOOD CONDITIONS. THOUGH SOME OF THE SALES INCLUDED MAY HAVE EXCEEDED THE ONE MILE DISTANCE AND/OR SIX MONTH DATE OF SALE GUIDELINES, THEY WERE AMONG THE BEST AVAILABLE FOR COMPARISON TO THE SUBJECT. AT THE TIME OF THE INSPECTION THE APPRAISER HAD NOT UNCOVERED ANY OTHER MORE RECENT/SIMILAR SALES, PENDING SALES OR ACTIVE LISTINGS THAT WERE MORE SIMILAR TO THE SUBJECT PROPERTY. ALL SALES HAVE BEEN GIVEN CONSIDERATION IN THE SUBJECT'S FINAL ESTIMATE OF VALUE.

I CERTIFY THAT:

THIS REPORT HAS BEEN PREPARED IN ACCORDANCE WITH THE REQUIREMENTS OF THE CODE OF PROFESSIONAL ETHICS SET FORTH BY THE NATIONAL ASSOCIATION OF REAL ESTATE APPRAISERS /THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THAT I AM APPROPRIATELY LICENSED OR CERTIFIED TO APPRAISE THE SUBJECT PROPERTY IN THE STATE IN WHICH IT IS LOCATED. THIS APPRAISAL ASSIGNMENT WAS NOT BASED ON A REQUESTED MINIMAL VALUATION, A SPECIFIC VALUATION, OR UPON THE APPROVAL OF A LOAN

Twelve Month Listing History of Subject Property

AS PER OWNER THE HOME IS RENTED ON SOME WEEKENDS, DUE TO SUBJECT ENJOYS LAKE FRONT ACTIVITIES IT IS SOMETIMES RENTED FOR WEEKENDS AND OWNER IN HOME WEEK DAYS. THE SUBJECT HAS NOT SOLD OR BEEN LISTED FOR SALE WITHIN THE PAST TWELVE MONTHS. MLS/ASSESSOR

Neighborhood Description

THE SUBJECT IS LOCATED IN THE VILLAGE OF GREENWOOD LAKE. IT IS WITHIN CONVENIENT ACCESS TO EMPLOYMENT, SCHOOLS, AND SERVICE AND SUPPORT BUSINESSES. THE SUBJECT'S MARKET AREA CONSISTS PRIMARILY OF SINGLE FAMILY HOMES. OTHER USES IN THE AREA CONSIST OF CONVENIENCE STORES AND RECREATIONAL USES. THESE USES HAVE NO ADVERSE IMPACT ON MARKETABILITY OR VALUE. THE SUBJECT HOME HAS AVERAGE APPEAL AND MARKETABILITY.

Neighborhood Market Conditions

GROWTH IS SLOW DUE TO CHANGE IN MARKET CONDITIONS. THE INVENTORY EXCEEDS THE RECENT 12 MONTH Solds. THE MARKET THAT HAS BEEN SLOWING DOWN PRIOR TO THE ECONOMIC EVENTS OF LAST YEAR HAS SHOWN A DEFIANT DEEPER DECLINE AND LACK OF SALES. IN ADDITION TO THE UNREST IN THE MORTGAGE MARKETS, INCREASE PROPERTY TAX AND THE UNSTABLE ENERGY MARKET BUYERS ARE SHOWING A DECIDED DESIRE NOT TO PURCHASE AT THIS TIME. MOST MARKET PUNDITS WOULD CONSIDER THIS A BUYERS MARKET. FOR THIS TO BE TRUE, BUYERS WOULD HAVE TO BE WILLING TO BUY. NOT ONLY DO PRICES NEED TO DECLINE FURTHER, CONSUMER CONFIDENCE NEEDS TO GROW FOR THIS TO BE A BUYERS MARKET.

NO KNOWN DISCOUNTS, BUYDOWNS OR MAJOR SALES CONCESSIONS ARE BEING GRANTED IN THE CURRENT MARKET. CONVENTIONAL LOANS ARE READILY AVAILABLE FOR QUALIFIED BUYERS. PER THE GREATER HUDSON VALLEY MLS DATED 8/2008 AREA HOMES ARE SELLING AT APPROXIMATELY 92% OF THE LIST PRICE. ORANGE COUNTY HAS SEEN A 9.5 % DECLINE IN MEDIAN SALE PRICES SINCE LAST YEAR. MARKET RESALE DATA, MULTIPLE LISTING AND DISCUSSIONS WITH LOCAL REALTORS INDICATE MARKET CONDITIONS AND GROWTH RATE IN THIS MARKET ARE SLOWING.

Specific Zoning Classification

RC RECREATIONAL/COMMERCIAL

Site Comments

THERE ARE NO KNOWN ADVERSE EASEMENTS, ENCROACHMENTS OR ADVERSE SITE CONDITIONS. THE SUBJECT'S SITE IS TYPICAL IN SIZE AND FEATURES. NO ADVERSE ENVIRONMENTAL CONDITIONS WERE OBSERVED BY THE APPRAISER. THE APPRAISER IS NOT AN EXPERT IN THE FIELD AND NOT QUALIFIED TO MAKE A JUDGEMENT.

SUBJECT APPEARS TO BE IN/NEAR A FLOOD ZONE. FLOOD CERTIFICATION RECOMMENDED.

SUBJECT CAN BE RE-BUILT TO ORIGINAL FOOT PRINTS IF DESTROYED BY FIRE.

Physical Deficiencies or Conditions

THE APPRAISAL "INSPECTION" IS A VALUE INSPECTION AND IS NO SUBSTITUTE FOR AN ENGINEERING INSPECTION. WHILE THE APPRAISER NEITHER SEES NOR HAS BEEN TOLD OF ANY OBVIOUS DEFECT NOT OTHERWISE REPORTED, THE APPRAISERS ARE NOT EXPERTS IN IDENTIFICATION OF SUCH ITEMS AND THE APPRAISER RECOMMENDS THE PROPERTY HAVE AN INSPECTION BY A CERTIFIED HOME OR PROPERTY

ADDENDUM

Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
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INSPECTOR AND A STRUCTURAL ENGINEER. THE APPRAISER RESERVES THE RIGHT TO ALTER THIS REPORT UPON THE CLIENT PROVIDING THAT HOME OR PROPERTY INSPECTION OR STRUCTURAL INSPECTION REPORT THE APPRAISER ASSUMES ALL STRUCTURAL SYSTEM OR HVAC SYSTEMS ARE IN GOOD WORKING ORDER IF NO SUCH REPORT IS PROVIDED

Comments on Sales Comparison

IT IS THE APPRAISER'S JUDGEMENT THAT WITHIN THE SUBJECT'S MORE IMMEDIATE NEIGHBORHOOD, THERE IS A LACK OF VIABLE, REPRESENTATIVE CLOSED SALES AVAILABLE FOR USE IN THE ANALYSIS. AS SUCH, IT IS NECESSARY TO USE SALES, DEEMED MOST REPRESENTATIVE AND BEST AVAILABLE IN COMPETING NEIGHBORHOODS WHICH EXCEED ONE MILE

RESEARCH OF CLOSED SALES IN THE SUBJECT MARKETING AREA HAS INDICATED A LACK OF MORE RECENT SALES, DEEMED COMPARABLE TO THE SUBJECT PROPERTY, WHICH HAVE OCCURRED WITHIN THE SIX MONTH GUIDELINE. THE SALES SELECTED FOR ANALYSIS, ARE IN THE APPRAISER'S OPINION, THE BEST AVAILABLE AND, AS ADJUSTED FOR THEIR SIGNIFICANT DISSIMILARITIES, ARE DEEMED VIABLE AND REPRESENTATIVE OF THE SUBJECT'S VALUE. TIME ADJUSTMENTS ARE REQUIRED FOR SALES DUE TO DECLINING MARKET

APPRAISER NOTES ESTIMATED MARKET VALUE IS WITHIN A REASONABLE PERCENTAGE OF THE PREDOMINANT VALUE FOR THE SUBJECT NEIGHBORHOOD

THE EFFECTIVE AGES OF THE COMPARABLES WERE DETERMINED BY MLS/BROKER COMMENTS, PUBLIC RECORDS AND/OR EXTERIOR INSPECTION

ALL COMPARABLES ARE CLOSED SALES TO THE BEST OF THE APPRAISER'S KNOWLEDGE DATA CAN BE VERIFIED THROUGH SOURCES INDICATED

THE COMPARABLES UTILIZED WERE THE BEST AVAILABLE AT THE TIME OF INSPECTION

APPRAISER NOTED SALE # 1 EXCEEDS THE RECOMMENDED GUIDELINES FOR GROSS ADJUSTMENT DUE TO ADJUSTMENT FOR VIEW SUBJECT HAS LAKE VIEW, THE SALE WAS USED DUE TO GLA

APPRAISER NOTED THE GLA OF SALES # 2,3 EXCEED THE RECOMMENDED GUIDELINES, DUE TO LOCATION MOST IMPORTANT AND SALES LAKE FRONT SIMILAR TO SUBJECT THE SALES WERE USED

Conditions of Appraisal

THE PURPOSE OF THIS APPRAISAL IS FOR MORTGAGE FINANCING

THIS IS A SUMMARY REPORT WHICH IS INTENDED TO COMPLY WITH THE REPORTING REQUIREMENTS SET FORTH UNDER STANDARDS RULE 2-2(B) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE FOR SUMMARY REPORT. AS SUCH, IT PRESENTS ONLY SUMMARY DISCUSSIONS OF THE DATA, REASONING, AND ANALYSES THAT ARE USED IN THE APPRAISAL PROCESS TO DEVELOP THE APPRAISER'S OPINION OF VALUE. SUPPORTING DOCUMENTATION THAT IS NOT PROVIDED WITH THE REPORT CONCERNING THE DATA, REASONING, AND ANALYSES IS RETAINED IN THE APPRAISER'S FILE. THE DEPTH OF THE DISCUSSION CONTAINED IN THIS REPORT IS SPECIFIC TO THE NEEDS OF THE CLIENT AND FOR THE INTENDED USE STATED IN THE REPORT. THE APPRAISER IS NOT RESPONSIBLE FOR THE UNAUTHORIZED USE OF THIS REPORT.

TO DEVELOP THE OPINION OF VALUE, THE APPRAISER PERFORMED A COMPLETE APPRAISAL PROCESS, AS DEFINED BY THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE. THIS MEANS THAT NO DEPARTURES FROM STANDARD 1 WERE INVOKED

THE COMPARABLES SELECTED ARE THE MOST RELIABLE INDICATORS OF THE SUBJECT'S MARKET VALUE CURRENTLY AVAILABLE. THESE SALES ARE LOCATED IN THE SAME MARKET AREA AS THE SUBJECT AND ARE CONSIDERED REASONABLE PURCHASE ALTERNATIVES. AFTER APPROPRIATE ADJUSTMENTS THE FINAL VALUE ESTIMATED IS WELL SUPPORTED.

Additional Comments

ELECTRONIC SIGNATURES ARE UTILIZED IN THIS REPORT. USPAP AND THE APPRAISAL STANDARDS BOARD STATE THE ELECTRONICALLY AFFIXING A SIGNATURE TO A REPORT CARRIES THE SAME LEVEL OF AUTHENTICITY AND RESPONSIBILITY AS AN INK SIGNATURE ON A PAPER COPY REPORT. ("THE TERM WRITTEN RECORDS INCLUDES INFORMATION STORED ON ELECTRONIC, MAGNETIC OR OTHER MEDIA"). ALL ELECTRONIC SIGNATURES IN THIS REPORT HAVE A SECURITY FEATURE MAINTAINED BY INDIVIDUAL PASSWORDS FOR EACH SIGNING APPRAISER. NO PERSON CAN ALTER THE APPRAISAL WITH THE EXCEPTION OF THE APPRAISER.

ALSO INCLUDED IN THIS REPORT ARE ORIGINAL COLOR DIGITAL PHOTOGRAPHS. THESE PHOTOGRAPHS ARE ORIGINALS AND ARE NOT COLOR COPIES OF 35MM PHOTOS. IN SOME CASES DUE TO EITHER WEATHER PRIVATE PROPERTY OR OTHER ACCESS PROBLEMS COMPARABLES PHOTOS FROM PREVIOUS FILES OR

ADDENDUM

Borrower: KEVIN LYNCH		File No.: 11808GL226	
Property Address: 85 STERLING ROAD		Case No.:	
City: GREENWOOD LAKE	State: NY	Zip: 10925	
Lender: KEVIN LYNCH/PRIVATE APPRAISAL			

SOURCES HAVE BEEN USED. FANNIE MAE AND FREDDIE MAC STATE THAT DIGITAL IMAGING IS ACCEPTABLE AND THAT ALL PHOTOGRAPHS MUST BE ORIGINALS THAT ARE PRODUCED EITHER BY PHOTOGRAPHY OR ELECTRONIC IMAGING.

MARKET VALUE WAS RECONCILED AT \$540,000. QUICK SALE VALUE FOR SALE WITHIN 90 DAYS IS DEVELOPED AT 20% OF CURRENT MARKET VALUE OR \$540,000 (-20%) \$108,000 = \$432,000

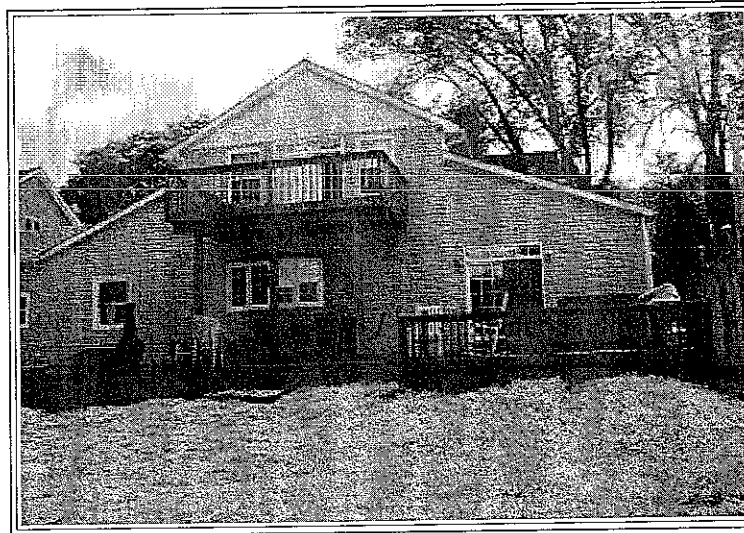
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: KEVIN LYNCH		File No.: 11808GL226
Property Address: 85 STERLING ROAD		Case No.:
City: GREENWOOD LAKE	State: NY	Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL		

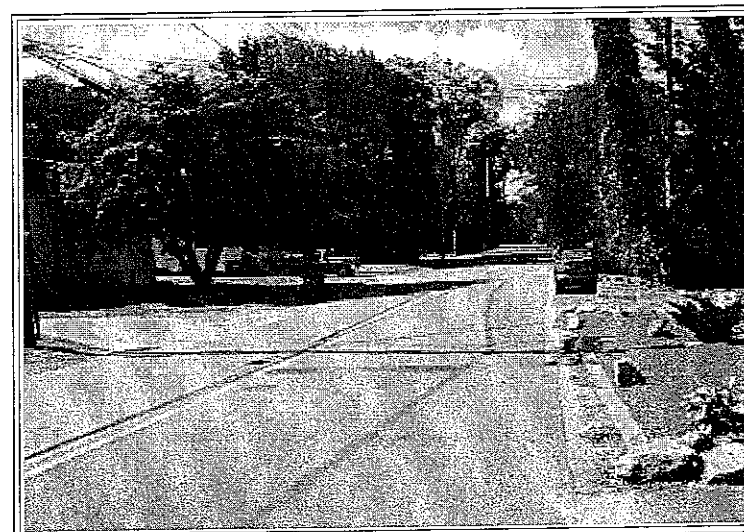


**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: August 19, 2008
Appraised Value: \$ 432 000



**REAR VIEW OF
SUBJECT PROPERTY**

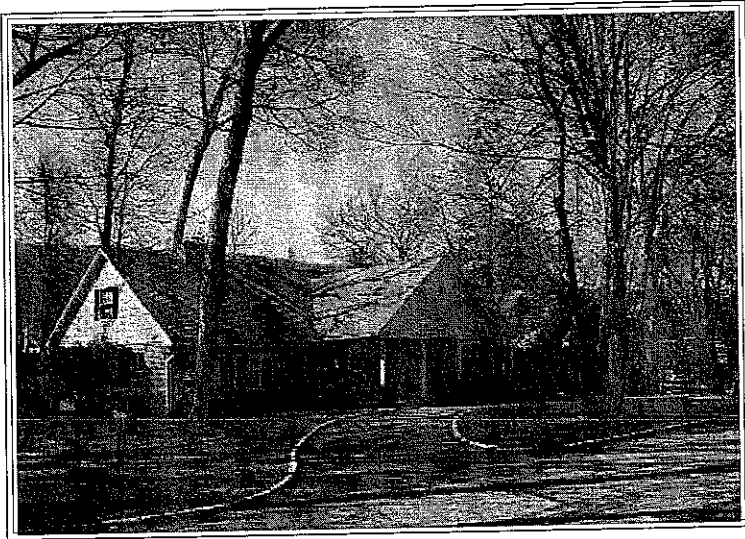


STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

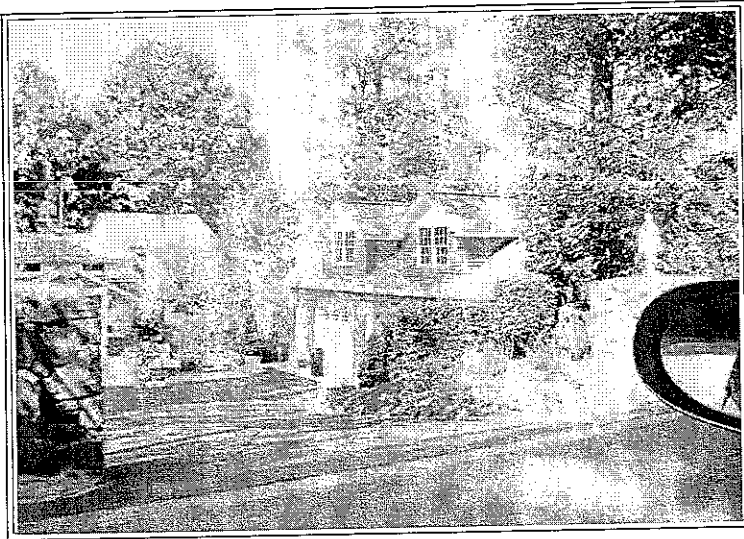
Borrower: KEVIN LYNCH
Property Address: 85 STERLING ROAD
City: GREENWOOD LAKE
Lender: KEVIN LYNCH/PRIVATE APPRAISAL

File No.: 11808GL226
Case No.:
State: NY Zip: 10925



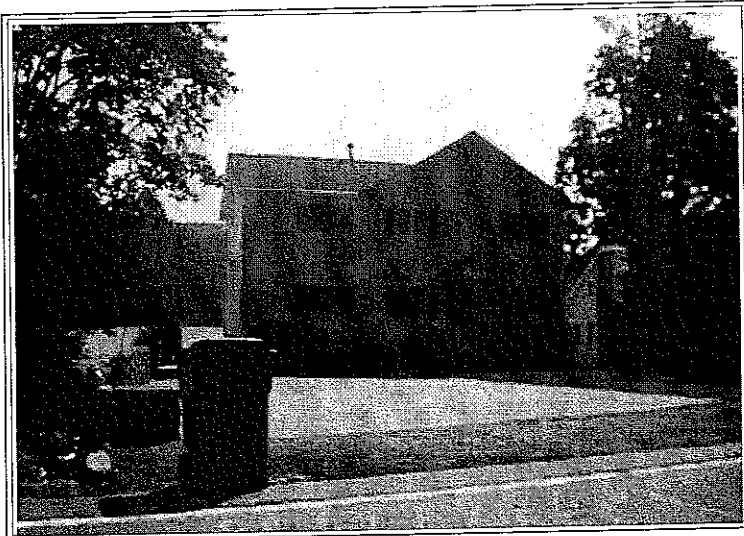
COMPARABLE SALE #1

2 MYRTLE AVE
GREENWOOD LAKE
Sale Date: 2/1/08 CL 4%
Sale Price: \$ 499 000



COMPARABLE SALE #2

43 EDGEMERE AVE
GREENWOOD LAKE
Sale Date: 5/7/08 CL 2%
Sale Price: \$ 530 000



COMPARABLE SALE #3

418 JERSEY AVE
GREENWOOD LAKE
Sale Date: 8/1/08 CL
Sale Price: \$ 543 000

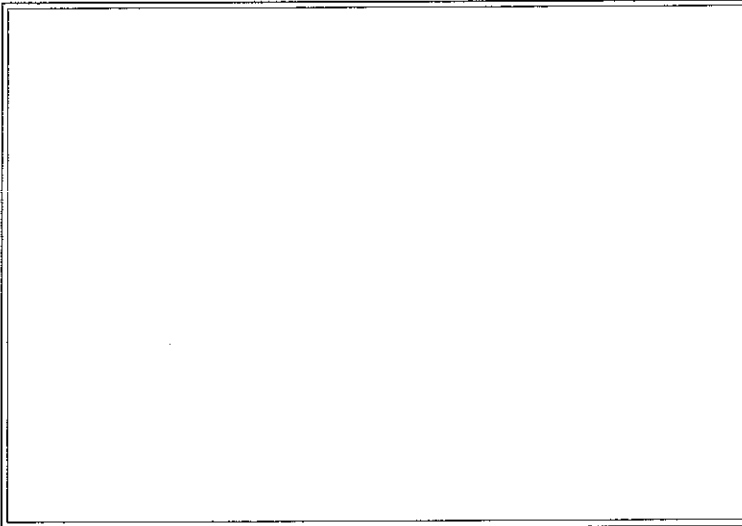
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL	



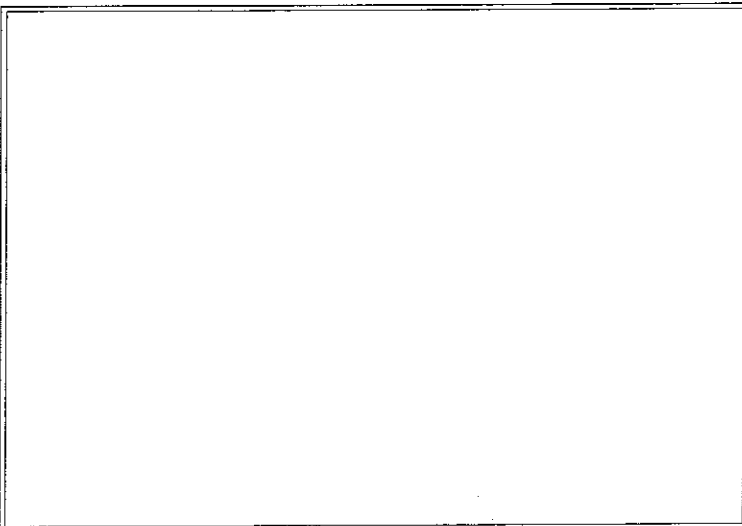
COMPARABLE SALE #4

674 JERSEY AVE
GREENWOOD LAKE
Sale Date: N/A
Sale Price: \$ 539 500



COMPARABLE SALE #5

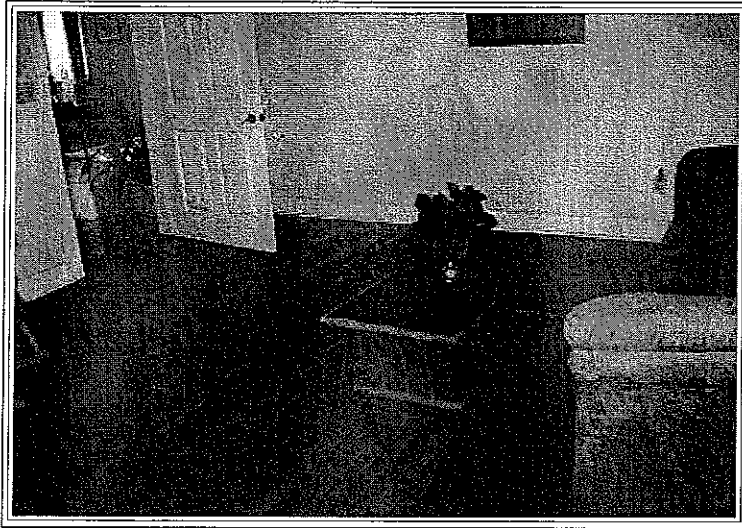
Sale Date:
Sale Price: \$



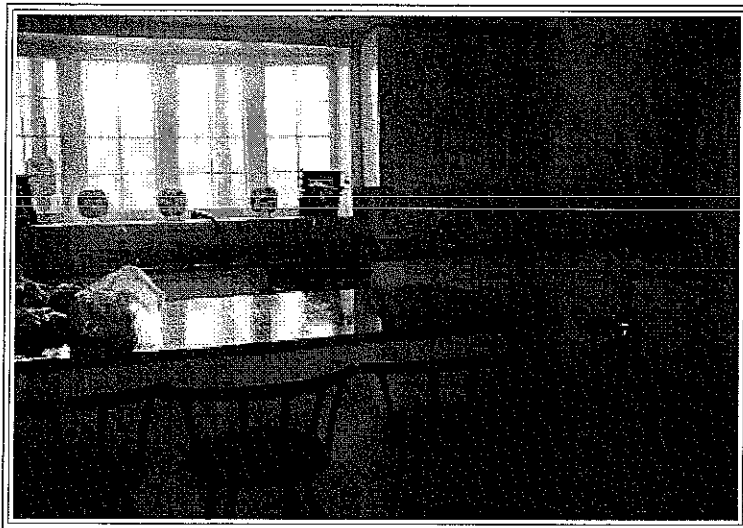
COMPARABLE SALE #6

Sale Date:
Sale Price: \$

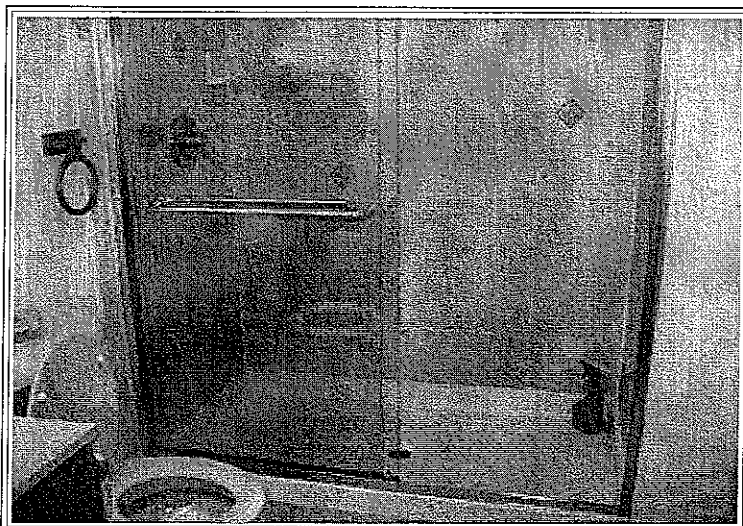
Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL	



MAIN ROOM

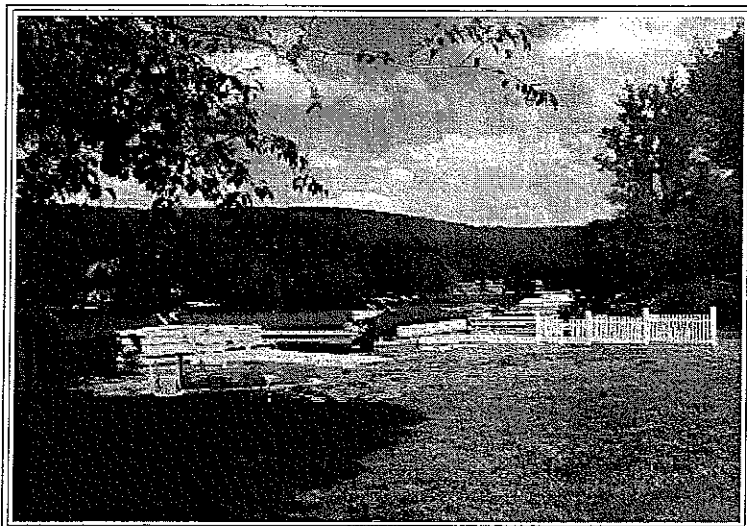
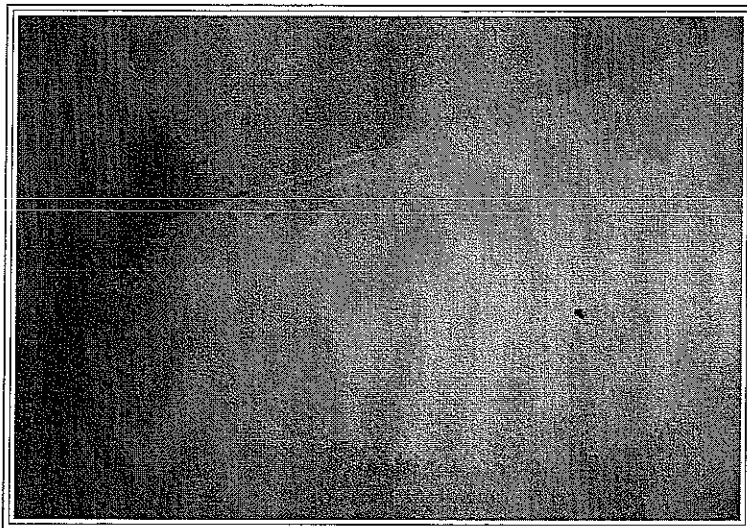
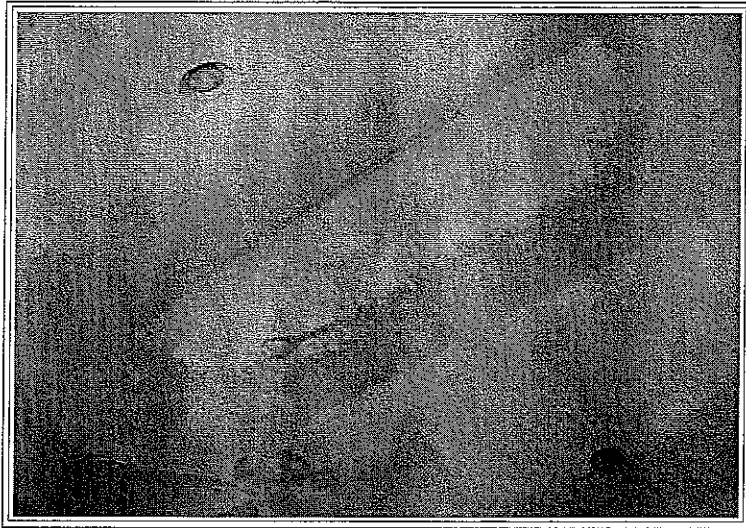


KITCHEN



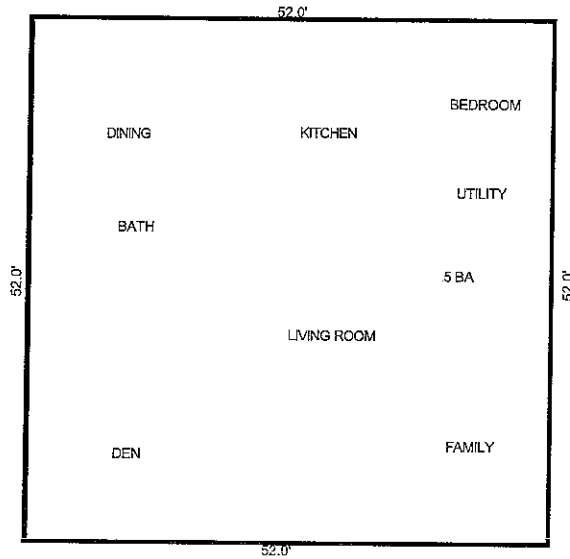
BATH

Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL	



FLOORPLAN

Borrower: KEVIN LYNCH		File No.: 11808GL226
Property Address: 85 STERLING ROAD		Case No.:
City: GREENWOOD LAKE	State: NY	Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL		



Seahy/psm/24

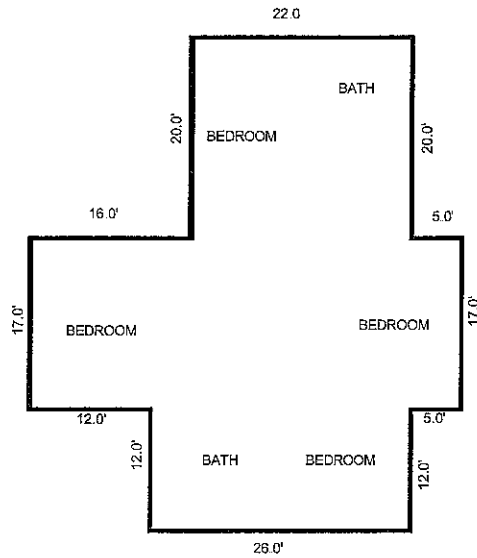
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	2704.00	2704.00
TOTAL LIVABLE (rounded)			2704

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	52.0 x 52.0	
	2704.00	
1 Calculation Total (rounded)	2704	

FLOORPLAN

Borrower: KEVIN LYNCH	File No.: 11808GL226
Property Address: 85 STERLING ROAD	Case No.:
City: GREENWOOD LAKE	State: NY Zip: 10925
Lender: KEVIN LYNCH/PRIVATE APPRAISAL	



Sketch by Appraiser

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA2	Second Floor	1483.00	1483.00
TOTAL LIVABLE (rounded)			1483

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
Second Floor			
20.0	x	22.0	440.00
17.0	x	43.0	731.00
12.0	x	26.0	312.00
3 Calculations Total (rounded)			1483

LOCATION MAP

Borrower: KEVIN LYNCH

File No.: 11808GL226

Property Address: 85 STERLING ROAD

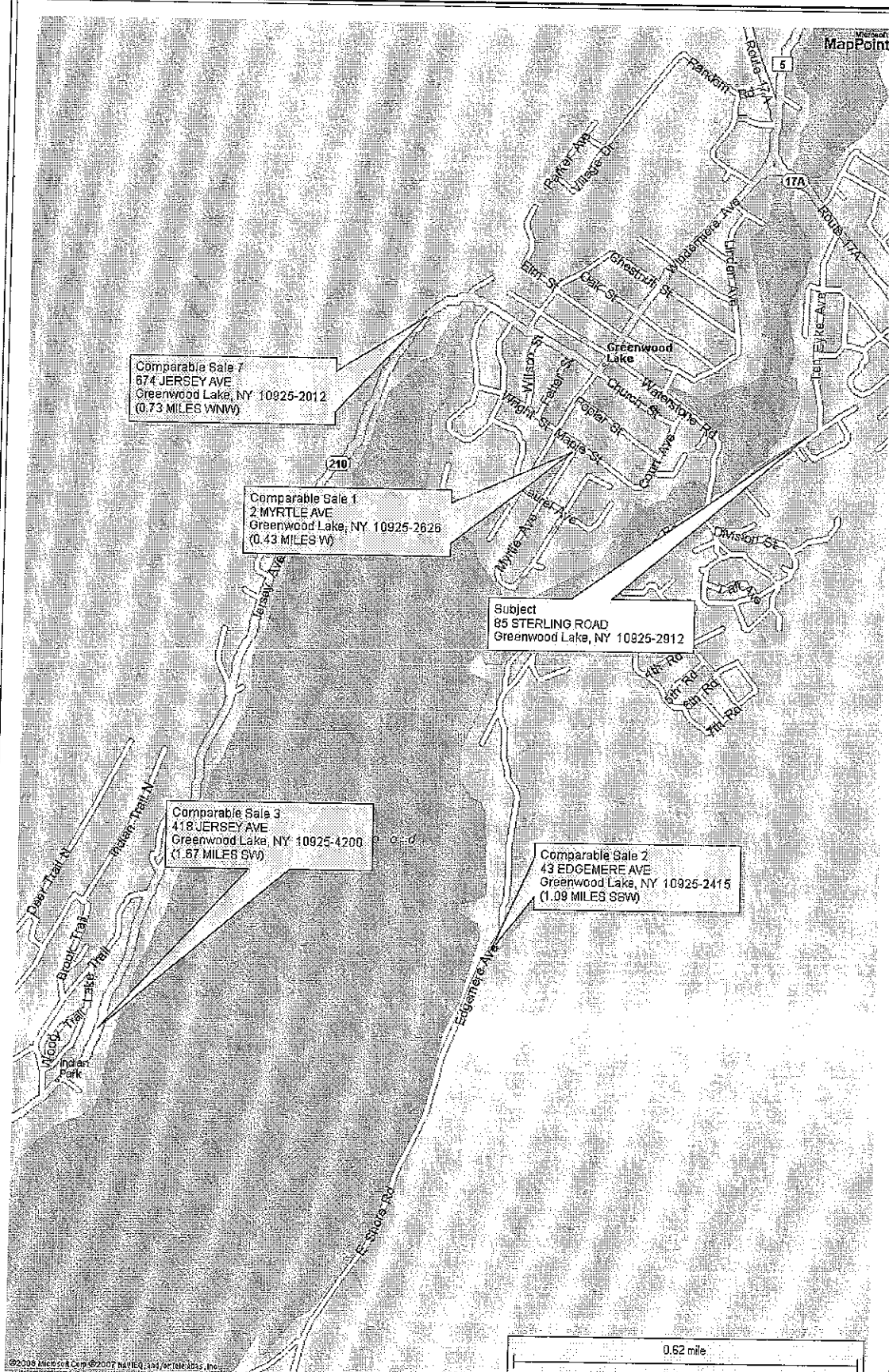
Case No.:

City: GREENWOOD LAKE

State: NY

Zip: 10925

Lender: KEVIN LYNCH/PRIVATE APPRAISAL



***** INVOICE *****

File Number: 11808GL226

09/19/2008

KEVIN LYNCH

Borrower : KEVIN LYNCH

Invoice # :

Order Date :

85 STERLING ROAD
GREENWOOD LAKE, NY 10925

APPRAISAL

\$ 250.00

\$

Invoice Total

\$ 250.00

Deposit

(\$)

Deposit

(\$)

Amount Due

\$ 250.00

Terms: UPON RECEIPT

Please Make Check Payable To:

117 ROUTE 9W, SUITE 201
HAVERSTRAW NY 10927

Fed ID #: 06-151-1476

P) 845-786-7374 - F) 845-947-5453
THANK YOU